

# QUARTERLY OPEN ITEM REVIEW

## *Open Commitments*

A commitment is created when a request for goods or services has been processed through the PRISM system. Open commitments are closed out when an award is made for that requisition, and is interfaced into Oracle as an obligation. Open commitments are unique in that they cannot go forward into the new fiscal year. In September all open commitments must be monitored to ensure that they are converted to an obligation or finally closed prior year-end close.

The open commitment report can be run in Discoverer by opening the Federal Status of Funds Report and clicking on the Open Commitment tab. The processing accountant is responsible for running the Open Commitment report and notifying the customer of all open commitments. The customer is responsible for reviewing the open commitment report, and either processing awards for these open requisitions or canceling the requisitions in the PRISM system. Any open commitments for the current fiscal year will automatically be cancelled as of midnight on September 30.

## *Open Obligations*

Open obligations will be reviewed at the end of each quarter to ensure that all open obligations are valid. The open obligation report can be run in Discoverer by opening the Federal Status of Funds Report and clicking on the Open Obligation tab. The processing accountant is responsible for running this report at the end of each quarter, and sending it to the customer for review. (NOTE: customer has the ability to run this report at any time that they feel necessary)

The Open Obligation Report is sent out by e-mail to the customer at the end of each quarter. A return date will be included with the report when it is e-mailed to the customer so that AOB receives it back in time to post the changes, deobligations and accruals prior to the quarter/year end close.

The customer is asked to review each line on the report and to mark the report as follows:

<b>If the outstanding obligation balance on the listing:</b>	<b>Notate the status column for the appropriate line with:</b>
Is correct and valid	V
Needs changed or corrected (for conversion documents or documents not entered through PRISM)	C
Needs deobligated (for conversion documents or documents not entered through PRISM)	D
Needs Modification (for obligations that need to be changed, corrected or closed out via a formal modification through the PRISM system)	M
Needs Accrued	A

For items marked with a “C” – the customer needs to indicate the appropriate change or correction in the “Comments” column.

For items marked with a “D” – the customer needs to enter the deobligation amount in the “Deobligation Amount” column.

For items marked with an “A” – the customer needs to enter the accrual amount in the “Accrual Amount” column.

Other columns that the customer needs to complete are:

- Reviewed by – insert name or initials of person completing review
- Delivered, Undelivered, Not expected – indicate if the goods/services have been delivered, not delivered or are not expected
- Comments – provide any additional comments that are applicable

Once the Open Obligation Report has been sent out to the customer, the technician should be verifying the obligations on the Open Obligation Report by comparing the balances on the report to the Transaction History Log Sheet to see if they agree. Any amount that does not match between these two should be researched and resolved.

When the open obligation review comes back from the customer, the technician will meet with the processing accountant and review for validity. Prior to posting any changes, deobligations or accruals, the list will be sent to the reporting accountant for review and comments.